



# United States Department of the Interior

## FISH AND WILDLIFE SERVICE

Washington, D.C. 20240



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### Memorandum

To: Service Directorate

From: **Acting**  
Director

*Kenneth Stansell*

Subject: Guidance on Limiting Corrective Actions and Resolutions for Federal Assistance Audits of Grantees

The purpose of this memorandum is to establish the conditions that Regions and the California/Nevada Operations Office must follow regarding any limitations placed on corrective actions and resolutions resulting from audits of Wildlife and Sport Fish Restoration grants. This guidance must be implemented uniformly in all Regions and the California and Nevada Operations Office (CNO). The Joint Federal/State Task Force on Federal Assistance Policy (JTF) identified the need for this guidance and made recommendations that we considered when developing it.

To ensure that consistent resolutions and corrective actions result from expanding a finding and/or restitution beyond the current audit period, Regional Directors and the Manager of the CNO must follow the same criteria and obtain the same approval that is required for expanding the audit period, as specified in the Service Manual in part 417 Federal Assistance Audits, chapter 2, Planning Audits, paragraph 2.6.

Therefore, corrective actions and resolutions normally will be limited to the current audit period unless there is an extraordinary finding. An extraordinary finding involves:

- fraud,
- direct and material illegal acts, or
- noncompliance that could result in exclusion from further participation in the Federal Assistance program.

Regional Directors and the Manager of the CNO, except in the case of fraud, must not authorize the financial effect of a corrective action plan to reach back beyond the scope of the audit and, in no event, beyond the date of the current 5-year audit period. For the purpose of this guidance, remedial actions that involve the other exceptions in paragraph 417 FW 2.6 of the Planning Audits chapter must be handled on a case-by-case basis with the approval of the Director.

The limitations permitted in this guidance do not change or nullify the effect of applicable provisions of laws and regulations, such as 43 CFR part 12 and 50 CFR part 80, on the development of corrective actions plans and resolutions for these audits. Nothing in this memorandum is intended to conflict with the States' financial responsibility for the loss of control over real property purchased with Federal assistance funds or license revenues.

The Assistant Director for Wildlife and Sport Fish Restoration Programs must ensure that this guidance is incorporated into the Service Manual, part 417, chapter 4, Audit Resolution, at the earliest opportunity.

If you have any questions concerning this matter or require further information, contact Rowan Gould, Assistant Director for Wildlife and Sport Fish Restoration Programs, at (202) 208-1050.

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